

FEDERAL ENERGY REGULATORY COMMISSION
Washington, D.C. 20426

May 28, 2004

In Reply Refer To:
Raptor Natural Pipeline, LLC
Docket Nos. PR04-7-000 and
PR04-7-001

John and Hengerer
1200 17th Street, NW
Suite 600
Washington, DC 20036-3013

Attention: Douglas F. John, Attorney

Reference: Stipulation and Agreement

Dear Mr. John:

1. The Stipulation and Agreement (Settlement) filed by Raptor Natural Pipeline, LLC (Raptor) on April 23, 2004 reasonably resolves the issues in this proceeding, produces fair and equitable rates, and therefore, is approved. This order will benefit Raptor's current and potential shippers by affording them with alternative transportation services at reasonable rates.

2. The following is a summary of the major provisions of the Settlement.

- a. Effective January 1, 2004, the maximum fair and equitable rates for NGPA section 311 transportation service on Raptor's system will consist of a reservation charge of \$1.6796/Dth/month for firm service, a minimum usage charge of \$0.0/Dth for firm service, and a unit rate for interruptible transportation service of \$0.0552/Dth.
- b. Raptor is authorized to charge fuel reimbursement of lost and unaccounted for allowance of 0.15 percent, APEX Compression Station Fuel Usage of 1.58 percent, and Booster Compression Station Fuel Usage of 0.62 percent.
- c. Raptor is authorized to continue providing NGPA section 311 storage services using market-based rates.

- d. On or before December 31, 2006, Raptor has agreed to file a petition for rate approval pursuant to 18 CFR § 284.123(b)(2) to justify its current rates or to propose new rates.
 - e. Within 30 days from the date the Commission issues an order approving without modification all terms of the settlement, Raptor will refund, with interest as determined in accordance with 18 C.F.R. § 154.501(d) (2003), any amount it has collected for NGPA section 311 transportation of natural gas through its facilities above the rate specified in Section 2(a), above, on or after January 1, 2004. Raptor will include a refund report in its next rate petition filing.
 - f. The provisions of the Settlement shall not become effective unless and until the Commission issues an order accepting and approving all terms and conditions of the Settlement and such order becomes final and no longer subject to rehearing.
3. The settlement was filed pursuant to Rule 602(f)(2) of the Commission's Rules of Practice and Procedure, 18 C.F.R. § 385.602(f)(2) (2003). Pursuant to Raptor's request, a shortened comment period was established with initial comments to be filed on or before May 3, 2004, and reply comments on or before May 7, 2004. Pursuant to Rule 385.602(d), 18 C.F.R. § 385.602(d) (2003), Raptor served a copy of the settlement on all parties. No protests or adverse comments were filed.
4. This letter order does not relieve Raptor of its obligations to file the required reports under Part 284 of the Commission's regulations. The Commission's approval of this Settlement does not constitute a precedent regarding any principle or issue in this proceeding.

By direction of the Commission. Commissioner Brownell concurring with a separate statement attached.

Magalie R. Salas,
Secretary.

UNITED STATES OF AMERICA
FEDERAL ENERGY REGULATORY COMMISSION

Raptor Natural Pipeline, LLC

Docket Nos. PR04-7-000 and
PR04-7-001

(Issued May 28, 2004)

Nora Mead BROWNELL, Commissioner *concurring*:

For the reasons set forth in Green Canyon Pipe Line Company, L.P., 98 FERC ¶ 61,041 (2002), I would not impose a triennial rate approval requirement on Section 311 pipelines. Here, the pipeline has agreed to make a triennial rate approval filing as part of an overall settlement. Therefore, I agree with the result of this order which is to approve an uncontested settlement.

Nora Mead Brownell

cc: All parties